

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

<div data-bbox="1299 352 1421 451" data-label="Text"><p>S</p></div> <div data-bbox="613 516 997 665" data-label="Text"><p>W-01816A Spanish Trail Water Co. 2200 E. River Rd., Suite 115 Tucson, AZ 85718</p></div> <div data-bbox="1153 787 1372 829" data-label="Text"><p>RECEIVED</p></div>
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ACC UTILITIES DIRECTOR

**ANNUAL REPORT**  
**Water**

**FOR YEAR ENDING**

12	31	2009
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FOR COMMISSION USE

ANN 04	09
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4-12-10

## COMPANY INFORMATION

**Company Name (Business Name)** Spanish Trail Water Company

**Mailing Address** 4572 E. Camp Lowell Drive

(Street)

Tucson

(City)

AZ

(State)

85712

(Zip)

(520) 577-2616

Telephone No. (Include Area Code)

(520) 319-6560

Fax No. (Include Area Code)

Cell No. (Include Area Code)

**Email Address** ddavis@camplowell.com

**Local Office Mailing Address** 2200 E. River Road, Suite 115

(Street)

Tucson

(City)

AZ

(State)

85718

(Zip)

(520) 577-2616

Local Office Telephone No. (Include Area Code)

(520) 299-5602

Fax No. (Include Area Code)

Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

## MANAGEMENT INFORMATION

☐ **Regulatory Contact:**

☒ **Management Contact:** Diane Davis Manager

(Name)

(Title)

4572 E. Camp Lowell Drive

(Street)

Tucson

(City)

AZ

(State)

85712

(Zip)

(520) 577-2616

Telephone No. (Include Area Code)

(520) 319-6560

Fax No. (Include Area Code)

Cell No. (Include Area Code)

**Email Address** ddavis@camplowell.com

**On Site Manager:** Chris Monson

(Name)

4572 E. Camp Lowell Drive

(Street)

Tucson

(City)

AZ

(State)

85712

(Zip)

(520) 577-2616

Telephone No. (Include Area Code)

(520) 319-6560

Fax No. (Include Area Code)

Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

**Statutory Agent:** Chad Kolodisner

2200 E. River Road, Suite 11	(Name) Tucson	AZ	85718
(Street)	(City)	(State)	(Zip)

(520) 577-0200	(520) 299-5602	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)

**Attorney:** Michael McNulty

One South Church Avenue, #700	(Name) Tucson	AZ	85701
(Street)	(City)	(State)	(Zip)

(520) 629-4453	(520) 879-4732	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)

**Email Address** \_\_\_\_\_

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |   |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S)    | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input checked="" type="checkbox"/> Subchapter S Corporation (Z)          |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co-op (A)                            |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                        |
| <input type="checkbox"/> Other (Describe) _____ |   |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |  |                                   |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE         | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM          | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA        | <input type="checkbox"/> MOHAVE   |
| <input type="checkbox"/> NAVAJO     | <input checked="" type="checkbox"/> PIMA | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI         | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE  |  |                                   |

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	3,394	1,615	1,779
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements	1,594	1,594	
307	Wells and Springs	133,626	61,263	72,363
311	Pumping Equipment	70,377	68,215	2,162
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	96,928	22,558	74,370
331	Transmission and Distribution Mains	462,083	307,340	154,743
333	Services	23,532	18,925	4,607
334	Meters and Meter Installations	57,375	26,468	30,907
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>848,909</b>	<b>507,978</b>	<b>340,931</b>

This amount goes on the Balance Sheet Acct. No. 108



**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)*	Depreciation Expense (1x2)
301	Organization	3,394	0.00%	
302	Franchises		0.00%	
303	Land and Land Rights		0.00%	
304	Structures and Improvements	1,594	5.00%	
307	Wells and Springs	133,626	5.00%	6,681
311	Pumping Equipment	70,377	5.00%	3,519
320	Water Treatment Equipment		5.00%	
330	Distribution Reservoirs and Standpipes	96,928	5.00%	4,020
331	Transmission and Distribution Mains	462,083	5.00%	23,104
333	Services	23,532	5.00%	1,177
334	Meters and Meter Installations	57,375	5.00%	2,804
335	Hydrants		5.00%	
336	Backflow Prevention Devices		5.00%	
339	Other Plant and Misc. Equipment		5.00%	
340	Office Furniture and Equipment		5.00%	
341	Transportation Equipment		5.00%	
343	Tools, Shop and Garage Equipment		5.00%	
344	Laboratory Equipment		5.00%	
345	Power Operated Equipment		5.00%	
346	Communication Equipment		5.00%	
347	Miscellaneous Equipment		5.00%	
348	Other Tangible Plant		5.00%	
	<b>TOTALS</b>	<b>848,909</b>		<b>41,305</b>

This amount goes on the Comparative Statement of Income and Expense \_\_\_\_\_  
Acct. No. 403.

\* ½ year convention on depreciation (½ year depreciation on new assets, ½ year on retirements)

**BALANCE SHEET**

<b>Acct No.</b>	<b>ASSETS</b>	<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 4,380	\$ 58,364
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	10,476	3,720
146	Notes/Receivables from Associated Companies	822,731	
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>\$837,587</b>	<b>\$62,084</b>
	<b>OTHER PROPERTY / INVESTMENTS</b>		
125	Other Investments	\$102,000	\$102,000
	<b>TOTAL OTHER PROPERTY / INVESTMENTS</b>	<b>\$102,000</b>	<b>\$102,000</b>
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$846,301	\$848,909
103	Property Held for Future Use	12,000	12,000
105	Construction Work in Progress	236,271	236,271
108	Accumulated Depreciation – Utility Plant	(466,673)	(507,978)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	<b>\$627,899</b>	<b>\$589,202</b>
	<b>TOTAL ASSETS</b>	<b>\$1,567,486</b>	<b>\$753,286</b>

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

**BALANCE SHEET (CONTINUED)**

<b>Acct. No.</b>		<b>BALANCE AT BEGINNING OF YEAR</b>	<b>BALANCE AT END OF YEAR</b>
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable		
232	Notes Payable (Current Portion)	\$701,000	
234	Notes/Accounts Payable to Associated Companies	168,470	\$212,416
235	Customer Deposits	39,941	35,700
236	Accrued Taxes	4,785	4,855
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	<b>TOTAL CURRENT LIABILITIES</b>	\$914,196	\$252,971
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds		
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt		
252	Advances in Aid of Construction	\$295,971	\$292,991
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$295,971	\$292,991
	<b>TOTAL LIABILITIES</b>	\$1,210,167	\$545,962
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$1,000	\$1,000
211	Paid in Capital in Excess of Par Value	3,615,222	3,615,222
215	Retained Earnings	(3,258,903)	(3,408,898)
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$357,319	\$207,324
	<b>TOTAL LIABILITIES AND CAPITAL</b>	<b>\$1,567,486</b>	<b>\$753,286</b>

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

<b>Acct. No.</b>	<b>OPERATING REVENUES</b>	<b>PRIOR YEAR</b>	<b>CURRENT YEAR</b>
461	Metered Water Revenue	\$152,998	\$145,331
460	Unmetered Water Revenue		
474	Other Water Revenues	603,382	
	<b>TOTAL REVENUES</b>	<b>\$756,380</b>	<b>\$145,331</b>
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages		
610	Purchased Water	\$36,353	\$43,946
615	Purchased Power	13,390	15,677
618	Chemicals		
620	Repairs and Maintenance	9,299	2,323
621	Office Supplies and Expense	55	128
630	Outside Services	187,207	102,875
635	Water Testing	863	
641	Rents		
650	Transportation Expenses		
657	Insurance -- General Liability	7,829	8,232
659	Insurance - Health and Life		
666	Regulatory Commission Expense -- Rate Case		
675	Miscellaneous Expense	1,576	5,136
403	Depreciation Expense	39,178	41,305
408	Taxes Other Than Income	83,511	67,193
408.11	Property Taxes	8,337	8,511
409	Income Tax		
	<b>TOTAL OPERATING EXPENSES</b>	<b>\$387,598</b>	<b>\$295,326</b>
	<b>OPERATING INCOME/(LOSS)</b>	<b>\$368,782</b>	<b>(\$149,995)</b>
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income		
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	<b>\$0</b>	<b>\$0</b>
	<b>NET INCOME/(LOSS)</b>	<b>\$368,782</b>	<b>(\$149,995)</b>



**COMPANY NAME**     **Spanish Trail Water Company**

**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

	<b>LOAN #1</b>	<b>LOAN #2</b>	<b>LOAN #3</b>	<b>LOAN #4</b>
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End                      \$28,641

Meter Deposits Refunded During the Test Year                      \$6,189

<b>COMPANY NAME</b>	<b>Spanish Trail Water Company</b>
<b>Name of System: Spanish Trail Water Company</b>	<b>ADEQ Public Water System Number: 10127</b>

## **WATER COMPANY PLANT DESCRIPTION**

### **WELLS**

<b>ADWR ID Number*</b>	<b>Pump Horsepower</b>	<b>Pump Yield (gpm)</b>	<b>Casing Depth (Feet)</b>	<b>Casing Diameter (Inches)</b>	<b>Meter Size (inches)</b>	<b>Year Drilled</b>
55-622249	5	44		8	2	
55-622256	40	400		12	4	
55-536560	20	305		12	6	1993

\* Arizona Department of Water Resources Identification Number

### **OTHER WATER SOURCES**

<b>Name or Description</b>	<b>Capacity (gpm)</b>	<b>Gallons Purchased or Obtained (in thousands)</b>

<b>BOOSTER PUMPS</b>		<b>FIRE HYDRANTS</b>	
<b>Horsepower</b>	<b>Quantity</b>	<b>Quantity Standard</b>	<b>Quantity Other</b>
25	2	27	
7.5	2		

<b>STORAGE TANKS</b>		<b>PRESSURE TANKS</b>	
<b>Capacity</b>	<b>Quantity</b>	<b>Capacity</b>	<b>Quantity</b>
10,000	1	1,000	1
10,000	1	2,000	1
		3,000	1

***Note: If you are filing for more than one system, please provide separate sheets for each system.***

<b>COMPANY NAME</b>	Spanish Trail Water Company	
<b>Name of System:</b>	Spanish Trail Water Company	<b>ADEQ Public Water System Number:</b> 10127

### **WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

#### **MAINS**

Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC/AC	12,910
5		
6	AC	31,520
8	PVC	11,950
10		
12	C900PVC	6,200

#### **CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	374
3/4	20
1	11
1 1/2	
2	3
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	
Construction	5

**For the following three items, list the utility owned assets in each category for each system.**

**TREATMENT EQUIPMENT:**

N/A

**STRUCTURES:**

N/A

**OTHER:**

N/A

***Note: If you are filing for more than one system, please provide separate sheets for each system.***

<b>COMPANY NAME:</b> Spanish Trail Water Company		
<b>Name of System:</b> Spanish Trail Water Company	<b>ADEQ Public Water System Number:</b> 10127	

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2009**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	403	3,503	2,467	745
FEBRUARY	400	3,209	2,420	757
MARCH	401	3,052	3,716	624
APRIL	402	3,219	4,105	611
MAY	403	5,802	4,647	908
JUNE	400	5,693	5,065	853
JULY	401	5,510	5,162	819
AUGUST	403	5,496	5,075	763
SEPTEMBER	403	6,356	5,196	898
OCTOBER	403	5,468	4,620	772
NOVEMBER	403	5,324	3,823	891
DECEMBER	402	3,795	3,406	655
<b>TOTALS →</b>		<b>56,427</b>	49,702	9,296

What is the level of arsenic for each well on your system? York Well, <0.0001 mg/l  
*(If more than one well, please list each separately.)* Barn Well, <0.0001 mg/l  
Rocking K Well, <0.0001 mg/l

If system has fire hydrants, what is the fire flow requirement? 1,000 GPM for 8 hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?  
☐ Yes ☒ No

Is the Water Utility located in an ADWR Active Management Area (AMA)?  
☒ Yes ☐ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?  
☐ Yes ☒ No

If yes, provide the GPCPD amount: \_\_\_\_\_

***Note: If you are filing for more than one system, please provide separate data sheets for each system.***

<b>COMPANY NAME: Spanish Trail Water Company</b>		
<b>Name of System: Spanish Trail Water Company</b>	<b>ADEQ Public Water System Number: 10127</b>	

**UTILITY SHUTOFFS / DISCONNECTS**

<b>MONTH</b>	<b>Termination without Notice R14-2-410.B</b>	<b>Termination with Notice R14-2-410.C</b>	<b>OTHER</b>
<b>JANUARY</b>			
<b>FEBRUARY</b>		1	
<b>MARCH</b>			
<b>APRIL</b>			
<b>MAY</b>			
<b>JUNE</b>		1	
<b>JULY</b>		4	
<b>AUGUST</b>			
<b>SEPTEMBER</b>			
<b>OCTOBER</b>		1	
<b>NOVEMBER</b>		4	
<b>DECEMBER</b>		1	
<b>TOTALS →</b>		12	

OTHER (description):

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COMPANY NAME Spanish Trail Water Company YEAR ENDING 12/31/2009

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2009 was: \$8,423

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**VERIFICATION  
AND  
SWORN STATEMENT  
Taxes**

RECEIVED

ACC UTILITIES DIRECTOR

**VERIFICATION**

STATE OF Arizona

I, THE UNDERSIGNED  
OF THE

COUNTY OF (COUNTY NAME)
<b>Pima</b>
NAME (OWNER OR OFFICIAL) TITLE
<b>Chris Monson, President</b>
COMPANY NAME
<b>Spanish Trail Water Company</b>

**DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION**

FOR THE YEAR ENDING

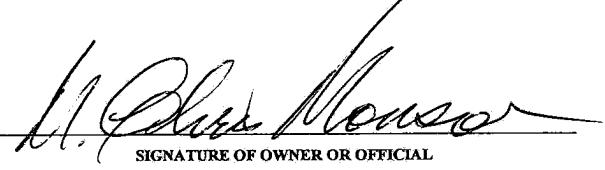
MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

  
SIGNATURE OF OWNER OR OFFICIAL

(520) 577-2616

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

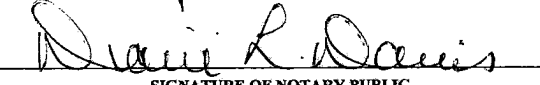
8

DAY OF

COUNTY NAME	<u>Pima</u>
MONTH	<u>April</u> 20 <u>10</u>



MY COMMISSION EXPIRES

  
SIGNATURE OF NOTARY PUBLIC

March 19, 2014

COMPANY NAME Spanish Trail Water Company YEAR ENDING 12/31/2009

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>0</u>
Estimated or Actual Federal Tax Liability	<u>0</u>

State Taxable Income Reported	<u>0</u>
Estimated or Actual State Tax Liability	<u>0</u>

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>0</u>
Amount of Gross-Up Tax Collected	<u>0</u>
Total Grossed-Up Contributions/Advances	<u>0</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
SIGNATURE

4/8/2010  
DATE

Chris Monson  
PRINTED NAME

President  
TITLE



**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

RECEIVED  
17812009  
ACC UTILITIES DIRECTOR

**VERIFICATION**

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
<b>Pima</b>
NAME (OWNER OR OFFICIAL) TITLE
<b>Chris Monson, President</b>
COMPANY NAME
<b>Spanish Trail Water Company</b>

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**


IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2009 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 145,331

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 9,411  
IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

  
SIGNATURE OF OWNER OR OFFICIAL  
(520) 577-2616  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



DAY OF

COUNTY NAME	<u>Pima</u>	
MONTH	<u>April</u>	<u>2010</u>

  
SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES March 19, 2014

**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
Intrastate Revenues Only**

RECEIVED  
APR 13 2010  
ACC UTILITIES DIRECTOR

**VERIFICATION**

**STATE OF ARIZONA**

**I, THE UNDERSIGNED**

**OF THE**

COUNTY OF (COUNTY NAME) <b>Pima</b>	
NAME (OWNER OR OFFICIAL) <b>Chris Monson</b>	TITLE <b>President</b>
COMPANY NAME <b>Spanish Trail Water Company</b>	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION**

**FOR THE YEAR ENDING**

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2009 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 141,811

THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 9,140

IN SALES TAXES BILLED, OR COLLECTED)

**\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.**

  
SIGNATURE OF OWNER OR OFFICIAL  
  
(520) 577-2616  
TELEPHONE NUMBER

**SUBSCRIBED AND SWORN TO BEFORE ME**

**A NOTARY PUBLIC IN AND FOR THE COUNTY OF**

**THIS**

8

**DAY OF**

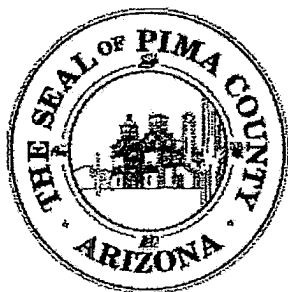


**MY COMMISSION EXPIRES**

march 19, 2014

NOTARY PUBLIC NAME <b>Diane L. Davis</b>	
COUNTY NAME <b>Pima</b>	
MONTH <b>April</b>	20 <b>10</b>

  
SIGNATURE OF NOTARY PUBLIC



## Beth Ford Pima County Treasurer

Parcel: 949020000 6 Total Taxes: \$7,186.33 Tax Year: 2008 As of Date: 12/31/2009

### CURRENT STATUS

	First Half	Second Half
Tax Due:	\$0.00	\$0.00
Date Paid:	11/03/2008	04/29/2009
Method:	CK	CK
Tax Paid:	\$3,593.17	\$3,593.16
Paid By:	01	01
Trans Type:	A	A
Interest Paid:	\$0.00	\$0.00

### PARCEL INFORMATION

Area Code: 2000

#### Taxpayer Name/Address:

SPANISH TRAIL WATER COMPANY  
ATTN: DIANE DAVIS/MANAGER  
4572 E CAMP LOWELL DR  
TUCSON AZ 85712-1282

#### Property Address:

### TAX DUE SUMMARY

	First Half	Second Half	Total Year
Taxes:	\$0.00	\$0.00	\$0.00
Interest:	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
NSF Fees			\$0.00
Reclaimed Refunds			\$0.00
<b>TOTAL AMOUNT DUE</b>			<b>\$0.00</b>

#### Legal Description:

TOTAL VALUE OF OPERATING PROPERTY  
TAXPAYER GROUP NO 490

### HISTORY TAX ROLL CHANGE

2007 \$7,631.73  
2006 \$7,876.07  
2005 \$7,692.17  
2004 \$10,955.51  
2003 \$10,564.14



## Beth Ford Pima County Treasurer

Parcel: 20572002B 8 Total Taxes: \$1,105.73 Tax Year: 2008 As of Date: 12/31/2009

### CURRENT STATUS

	First Half	Second Half
Tax Due:	\$0.00	\$0.00
Date Paid:	11/03/2008	04/29/2009
Method:	CK	CK
Tax Paid:	\$552.87	\$552.86
Paid By:	01	01
Trans Type:	2	A
Interest Paid:	\$0.00	\$0.00

### PARCEL INFORMATION

Area Code: 2000

#### Taxpayer Name/Address:

ROCKING K HOLDINGS LTD PARTNERSHIP  
75% &  
RINCON VALLEY HOLDINGS LTD PRTRNSHP  
25%  
2200 E RIVER RD STE 115  
TUCSON AZ 85718

### TAX DUE SUMMARY

	First Half	Second Half	Total Year
Taxes:	\$0.00	\$0.00	\$0.00
Interest:	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
NSF Fees			\$0.00
Reclaimed Refunds			\$0.00
<b>TOTAL AMOUNT DUE</b>			<b>\$0.00</b>

#### Property Address:

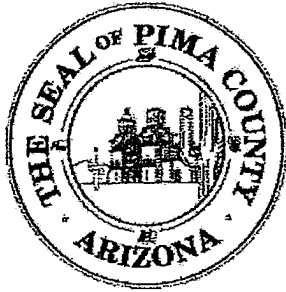
13381 E OLD SPANISH TR

#### Legal Description:

PT OF N440' W550' NE4 NE4 LYG NELY OF OLD  
SPANISH TRAIL 3.59 AC SEC 21-15-16  
(7661/1940 & 1987)

### HISTORY TAX ROLL CHANGE

2007 \$1,021.58  
2006 \$1,017.59  
2005 \$943.11  
2004 \$899.70  
2003 \$508.52



## Beth Ford Pima County Treasurer

Parcel: 949020000 6 Total Taxes: \$7,291.94 Tax Year: 2009 As of Date: 12/31/2009

CURRENT STATUS			PARCEL INFORMATION	
	First Half	Second Half	Area Code: 2000	
Tax Due:	\$0.00	\$3,645.97	Taxpayer Name/Address:	
Date Paid:	10/30/2009		SPANISH TRAIL WATER COMPANY	
Method:	CK		ATTN: DIANE DAVIS/MANAGER	
Tax Paid:	\$3,645.97	\$0.00	4572 E CAMP LOWELL DR	
Paid By:	01		TUCSON AZ 85712-1282	
Trans Type:	A		Property Address:	
Interest Paid:	\$0.00	\$0.00		
TAX DUE SUMMARY				
	First Half	Second Half	Total Year	Legal Description:
Taxes:	\$0.00	\$3,645.97	\$3,645.97	TOTAL VALUE OF OPERATING PROPERTY
Interest:	\$0.00	\$0.00	\$0.00	TAXPAYER GROUP NO 490
	\$0.00	\$3,645.97	\$3,645.97	
	NSF Fees		\$0.00	
	Reclaimed Refunds		\$0.00	
TOTAL AMOUNT DUE			\$3,645.97	

### HISTORY TAX ROLL CHANGE

2008 \$7,186.33  
 2007 \$7,631.73  
 2006 \$7,876.07  
 2005 \$7,692.17  
 2004 \$10,955.51



## Beth Ford Pima County Treasurer

Parcel: 20572002B 8 Total Taxes: \$1,175.82 Tax Year: 2009 As of Date: 12/31/2009

CURRENT STATUS			PARCEL INFORMATION		
	First Half	Second Half	Area Code: 2000		
Tax Due:	\$0.00	\$587.91	<b>Taxpayer Name/Address:</b> ROCKING K HOLDINGS LTD PARTNERSHIP 75% & RINCON VALLEY HOLDINGS LTD PRTRNSHP 25% 2200 E RIVER RD STE 115 TUCSON AZ 85718		
Date Paid:	10/23/2009				
Method:	CK				
Tax Paid:	\$587.91	\$0.00			
Paid By:	01				
Trans Type:	A				
Interest Paid:	\$0.00	\$0.00			
<b>TAX DUE SUMMARY</b>				<b>Property Address:</b> 13381 E OLD SPANISH TR	
	First Half	Second Half	Total Year	<b>Legal Description:</b> PT OF N440' W550' NE4 NE4 LYG NELY OF OLD SPANISH TRAIL 3.59 AC SEC 21-15-16 (7661/1940 & 1987)	
Taxes:	\$0.00	\$587.91	\$587.91		
Interest:	\$0.00	\$0.00	\$0.00		
	\$0.00	\$587.91	\$587.91		
	NSF Fees		\$0.00		
	Reclaimed Refunds		\$0.00		
TOTAL AMOUNT DUE			\$587.91		

### HISTORY TAX ROLL CHANGE

2008 \$1,105.73  
 2007 \$1,021.58  
 2006 \$1,017.59  
 2005 \$943.11  
 2004 \$899.70



## Beth Ford Pima County Treasurer

Parcel: 205820120 2 Total Taxes: \$15.14 Tax Year: 2009 As of Date: 12/31/2009

### CURRENT STATUS

	First Half	Second Half
Tax Due:	\$0.00	\$0.00
Date Paid:	10/23/2009	
Method:	CK	
Tax Paid:	\$15.14	\$0.00
Paid By:	01	
Trans Type:	A	
Interest Paid:	\$0.00	\$0.00

### PARCEL INFORMATION

Area Code: 2002

#### Taxpayer Name/Address:

SPANISH TRAIL WATER COMPANY  
ATTN: DIANE DAVIS/MANAGER  
4572 E CAMP LOWELL DR  
TUCSON AZ 85712-1282

#### Property Address:

6990 S CALLE LECHUZA

### TAX DUE SUMMARY

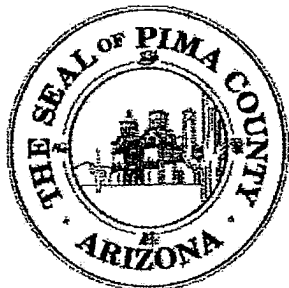
	First Half	Second Half	Total Year
Taxes:	\$0.00	\$0.00	\$0.00
Interest:	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
NSF Fees			\$0.00
Reclaimed Refunds			\$0.00
<b>TOTAL AMOUNT DUE</b>			<b>\$0.00</b>

#### Legal Description:

CASERIO VIEJO LOT 12 (WELL SITE)  
TOTAL VALUE OF OPERATING PROPERTY -  
TAXPAYER  
GROUP NO 490

### HISTORY TAX ROLL CHANGE

2008 \$16.04  
2007 \$18.04  
2006 \$19.74  
2005 \$20.87  
2004 \$21.31



## Beth Ford Pima County Treasurer

Parcel: 20586061A 7 Total Taxes: \$12.45 Tax Year: 2009 As of Date: 12/31/2009

CURRENT STATUS				PARCEL INFORMATION	
	First Half	Second Half		Area Code: 2000	
Tax Due:	\$0.00	\$0.00		<b>Taxpayer Name/Address:</b> SPANISH TRAIL WATER COMPANY ATTN: DIANE DAVIS/MANAGER 4572 E CAMP LOWELL DR TUCSON AZ 85712-1282	
Date Paid:	10/23/2009				
Method:	CK				
Tax Paid:	\$12.45	\$0.00			
Paid By:	01				
Trans Type:	A			<b>Property Address:</b> WELLSITE IN SW4 SE4 1.21 AC SEC 15-15-16 (CP 7734/970-977) TOTAL VALUE OF OPERATING PROPERTY - TAXPAYER GROUP NO 490	
Interest Paid:	\$0.00	\$0.00			
TAX DUE SUMMARY					
	First Half	Second Half	Total Year		
Taxes:	\$0.00	\$0.00	\$0.00		
Interest:	\$0.00	\$0.00	\$0.00		
	\$0.00	\$0.00	\$0.00		
	NSF Fees		\$0.00		
	Reclaimed Refunds		\$0.00		
<b>TOTAL AMOUNT DUE</b>			<b>\$0.00</b>		

### HISTORY TAX ROLL CHANGE

2008 \$13.18  
 2007 \$14.88  
 2006 \$16.50  
 2005 \$17.58  
 2004 \$18.02





## Beth Ford Pima County Treasurer

Parcel: 20581033B 2 Total Taxes: \$15.14 Tax Year: 2009 As of Date: 12/31/2009

### CURRENT STATUS

	First Half	Second Half
Tax Due:	\$0.00	\$0.00
Date Paid:	10/23/2009	
Method:	CK	
Tax Paid:	\$15.14	\$0.00
Paid By:	01	
Trans Type:	A	
Interest Paid:	\$0.00	\$0.00

### PARCEL INFORMATION

Area Code: 2002

#### Taxpayer Name/Address:

SPANISH TRAIL WATER COMPANY  
ATTN: DIANE DAVIS/MANAGER  
4572 E CAMP LOWELL DR  
TUCSON AZ 85712-1282

#### Property Address:

### TAX DUE SUMMARY

	First Half	Second Half	Total Year
Taxes:	\$0.00	\$0.00	\$0.00
Interest:	\$0.00	\$0.00	\$0.00
	\$0.00	\$0.00	\$0.00
	NSF Fees		\$0.00
	Reclaimed Refunds		\$0.00
<b>TOTAL AMOUNT DUE</b>			<b>\$0.00</b>

#### Legal Description:

RANCHOS PEQUENOS WELLSITE IN LOT 20  
(CP: D 7734 P 970-977 3/5/86)  
TOTAL VALUE OF OPERATING PROPERTY -  
TAXPAYER  
GROUP NO 490

### HISTORY TAX ROLL CHANGE

2008 \$16.04  
2007 \$18.04  
2006 \$19.74  
2005 \$20.87  
2004 \$21.31

**SPANISH TRAIL WATER COMPANY**

**YEAR ENDED DECEMBER 31, 2009**

**SPANISH TRAIL WATER COMPANY**

**YEAR ENDED DECEMBER 31, 2009**

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Statement of operations	3



BEACHFLEISCHMAN

Shareholders  
Spanish Trail Water Company  
Tucson, Arizona

We have compiled the balance sheet of Spanish Trail Water Company as of December 31, 2009, and the related statement of operations for the year then ended and accompanying information on pages 4 through 9, 14, and 16 through 18 of the annual Arizona Corporation Commission report, included in the accompanying form prescribed by the Arizona Corporation Commission, Utilities Division, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form prescribed by the Arizona Corporation Commission, Utilities Division, information that is the representation of management. We have not audited or reviewed the accompanying financial statements referred to above and, accordingly, we do not express an opinion or any other form of assurance on them.

The financial statements are presented in accordance with the requirements of the Arizona Corporation Commission, Utilities Division, which differ from U.S. generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such matters.

*Beach Fleischman P.C.*

March 17, 2010

**SPANISH TRAIL WATER COMPANY**  
**BALANCE SHEET**  
**DECEMBER 31, 2009**  
**(See Accountants' Compilation Report)**

Docket No. W-01816A

**ASSETS**

Property and equipment, net	\$ 589,202
Other non-current assets:	
Recharge credits	<u>102,000</u>
Current assets:	
Cash and cash equivalents	58,364
Accounts receivable	<u>3,720</u>
Total current assets	<u>62,084</u>
	<u><u>\$ 753,286</u></u>

**LIABILITIES AND CAPITALIZATION**

Capitalization:	
Capital accounts	\$ 207,324
Deferred credit:	
Advances in aid of construction	<u>292,991</u>
Current liabilities:	
Other current liabilities	40,555
Advances from associated company	<u>212,416</u>
Total current liabilities	<u>252,971</u>
	<u><u>\$ 753,286</u></u>

**SPANISH TRAIL WATER COMPANY**  
**STATEMENT OF OPERATIONS**  
**YEAR ENDED DECEMBER 31, 2009**  
**(See Accountants' Compilation Report)**

Docket No. W-01816A

Metered water revenue	145,331
Operating expenses	<u>295,326</u>
Net loss	<u>\$ (149,995)</u>